

Page 1 of 3

**EXECUTIVE SUMMARY - ENFORCEMENT MATTER**  
**DOCKET NO.: 2009-1821-AIR-E TCEQ ID: RN100222330 CASE NO.: 38689**  
**RESPONDENT NAME: DCP Midstream, LP**

<b>ORDER TYPE:</b>		
<input type="checkbox"/> 1660 AGREED ORDER	<input checked="" type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
<b>CASE TYPE:</b>		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p><b>SITE WHERE VIOLATION(S) OCCURRED:</b> Goldsmith Gas Plant, on State Highway ("SH") 158, approximately one mile west of the intersection of SH 158 (Gulf Avenue) and Scharhauer Street, Goldsmith, Ector County</p> <p><b>TYPE OF OPERATION:</b> Natural gas processing plant</p> <p><b>SMALL BUSINESS:</b>    <input type="checkbox"/> Yes    <input checked="" type="checkbox"/> No</p> <p><b>OTHER SIGNIFICANT MATTERS:</b> There are no complaints. There is one record of an additional pending enforcement action regarding this facility location: Docket No. 2010-1511-AIR-E.</p> <p><b>INTERESTED PARTIES:</b> No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p><b>COMMENTS RECEIVED:</b> The <i>Texas Register</i> comment period expired on December 27, 2010. No comments were received.</p> <p><b>CONTACTS AND MAILING LIST:</b>  <b>TCEQ Attorney/SEP Coordinator:</b> Mr. Phillip Hampsten, SEP Coordinator, Enforcement Division, MC 219, (512) 239-6732  <b>TCEQ Enforcement Coordinator:</b> Ms. Miriam Hall, Enforcement Division, Enforcement Team 4, MC 149, (512) 239-1044; Ms. Laurie Eaves, Enforcement Division, MC 219, (512) 239-4495  <b>Respondent:</b> Mr. Ronnie D. Trammell, Vice President of Operations - West, DCP Midstream, LP, 10 Desta Drive, Suite 400W, Midland, Texas 79705  Mr. Doug Lowrie, Environmental Manager, Western Region, DCP Midstream, LP, 10 Desta Drive, Suite 400W, Midland, Texas 79705  <b>Respondent's Attorney:</b> Not represented by counsel on this enforcement matter</p>		

**VIOLATION SUMMARY CHART:**

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p><b>Type of Investigation:</b>  <input type="checkbox"/> Complaint  <input type="checkbox"/> Routine  <input type="checkbox"/> Enforcement Follow-up  <input checked="" type="checkbox"/> Records Review</p> <p><b>Date(s) of Complaints Relating to this Case:</b> None</p> <p><b>Date of Investigation Relating to this Case:</b> June 3 and 29, 2009 and March 29, 2010</p> <p><b>Date of NOV/NOE Relating to this Case:</b> October 9 and 19, 2009 and April 14, 2010 (NOE)</p> <p><b>Background Facts:</b> This was a records review.</p> <p><b>AIR</b></p> <p>1) Failed to submit the initial notification for a reportable emissions event (Incident No. 115063) within 24 hours after discovery of the incident [30 TEX. ADMIN. CODE § 101.201(a)(1)(B) and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>2) Failed to prevent the discharge of unauthorized emissions resulting from 28 emissions events associated with the B-Turbine (See Attachment 1) [30 TEX. ADMIN. CODE § 116.115(b)(2)(F), Permit No. 676A General Condition 8, Standard Permit No. 73563, and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>3) Failed to submit the initial notification for reportable emissions events (Incident Nos. 119050 and 121907) within 24 hours after discovery of the incident [30 TEX. ADMIN. CODE § 101.201(a)(1)(B) and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>4) Failed to submit the final report for a reportable emissions event (Incident No. 121907) within two weeks after the end of the incident [30 TEX. ADMIN. CODE § 101.201(b)(1)(B) and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>5) Failed to prevent the discharge of</p>	<p><b>Total Assessed:</b> \$755,251</p> <p><b>Total Deferred:</b> \$0  <input type="checkbox"/> Expedited Settlement  <input type="checkbox"/> Financial Inability to Pay</p> <p><b>SEP Conditional Offset:</b> \$377,625</p> <p><b>Total Paid to General Revenue:</b> \$377,626</p> <p><b>Compliance History Classifications:</b>  Person/CN - Average  Site/RN - Average</p> <p><b>Major Source:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>Applicable Penalty Policy:</b> September 2002</p> <p><b>Findings Orders Justification:</b></p> <p>Human health or the environment has been exposed to pollutants which exceed levels that are protective.</p>	<p><b>Corrective Actions Taken:</b></p> <p>1) The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant to prevent emissions events:</p> <p>a. In August 2008, established an on-line connection between the Plant and a third-party vendor to allow real-time troubleshooting of turbine problems;</p> <p>b. In January 2009, completed piping modifications on the B-Turbine to remove stresses affecting vibrations;</p> <p>c. In March 2009, replaced the B-Sweet Gas Compressor and installed a new vibration monitoring system for the B-Turbine;</p> <p>d. In April 2009, brought in three third-party vendors to verify proper operation of all control systems and to calibrate instruments; and</p> <p>e. In April and May 2009, ordered a spare Sweet Gas Compressor Unit and a spare gear box.</p> <p>2) The Executive Director recognizes that the Respondent retrained employees on proper emissions event reporting protocol on September 30, 2009.</p> <p><b>Ordering Provisions:</b></p> <p>1) The Order will require the Respondent to implement and complete a Supplemental Environmental Project (SEP). (See SEP Attachment A)</p> <p>2) The Order will also require the Respondent to:</p> <p>a. By December 31, 2010:</p> <p>i. Complete installation of a turbine simulator; and</p> <p>ii. Complete employee training on control systems to optimize operations, minimize process shutdowns and troubleshoot more</p>

<p>unauthorized emissions resulting from 21 emissions events associated with the A-Turbine (See Attachment 2) [30 TEX. ADMIN. CODE § 116.115(b)(2)(F), Permit No. 676A General Condition 8, Standard Permit No. 73563, and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>6) Failed to submit the initial notification for a reportable emissions event (Incident No. 128688) within 24 hours after discovery of the incident [30 TEX. ADMIN. CODE § 101.201(a)(1)(B) and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>7) Failed to prevent the discharge of unauthorized emissions resulting from 30 emissions events associated with the A-Turbine (See Attachment 3) [30 TEX. ADMIN. CODE § 116.115(b)(2)(F), Permit No. 676A General Condition 8, Standard Permit No. 73563, and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p> <p>8) Failed to prevent the discharge of unauthorized emissions resulting from 19 emissions events associated with the B-Turbine (See Attachment 4) [30 TEX. ADMIN. CODE § 116.115(b)(2)(F), Standard Permit No. 73563, and TEX. HEALTH &amp; SAFETY CODE § 382.085(b)].</p>	<p>effectively.</p> <p>b. During the next Plant turn-around, currently scheduled for December 2011:</p> <p>i. Complete installation of the triple redundant turbine control system and piping upgrades; and</p> <p>ii. Complete installation of the new vibration monitoring system for the A-Turbine.</p> <p>c. Within 30 days of completing Ordering Provisions and Stipulated Penalties Nos. 2.a. and 2.b., submit written certification and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provisions and Stipulated Penalties Nos. 2.a. and 2.b.</p>
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Additional ID No(s): EBo053J



**Attachment A**  
**Docket Number: 2009-1821-AIR-E**

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>DCP Midstream, LP</b>
<b>Penalty Amount:</b>	<b>Seven Hundred Fifty-Five Thousand Two Hundred Fifty-One Dollars (\$755,251)</b>
<b>SEP Offset Amount:</b>	<b>Three Hundred Seventy-Seven Thousand Six Hundred Twenty-Five Dollars (\$377,625)</b>
<b>Type of SEP:</b>	<b>Pre-approved</b>
<b>Third-Party Recipient:</b>	<b>Texas PTA – <i>Clean School Bus Program</i></b>
<b>Location of SEP:</b>	<b>Texas Air Quality Control Region 218 – Midland-Odessa-San Angelo</b>

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP offset amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

**A. Project**

The Respondent shall contribute the SEP offset amount to the Third-Party Recipient named above. The contribution will be to ***Texas PTA*** for the *Clean School Bus Program* as set forth in an agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to reimburse local school districts for the cost of the following activities to reduce emissions: 1) replacing older diesel buses with alternative fuelled or clean diesel buses; or 2) retrofitting older diesel buses with new, cleaner technology. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that it has no prior commitment to make this contribution and that it is being done solely in an effort to settle this enforcement action.

**B. Environmental Benefit**

This SEP will provide a discernible environmental benefit by reducing particulate emissions on buses by more than 90% below today's level and reducing hydrocarbons below measurement capability.



**C. Minimum Expenditure**

The Respondent shall contribute at least the SEP offset amount to the Third-Party Recipient and comply with all other provisions of this SEP.

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP offset amount to the Third-Party Recipient. The Respondent shall mail a copy of the Agreed Order with the contribution to:

Texas Congress of Parents and Teachers dba Texas PTA  
Clean School Bus Program  
Suzy Swan, Director of Finance  
408 West 11<sup>th</sup> Street  
Austin, Texas 78707

**3. Records and Reporting**

Concurrent with the payment of the SEP offset amount, the Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP offset amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division  
Attention: SEP Coordinator, MC 219  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

**4. Failure to Fully Perform**

If the Respondent does not perform its obligations under this SEP in any way, including full expenditure of the SEP offset amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP offset amount.

In the event of incomplete performance, the Respondent shall include on the check the docket number of this Agreed Order and a note that it is for reimbursement of a SEP. The Respondent shall make the payment for the amount due to "Texas Commission on Environmental Quality" and mail it to:





Litigation Division  
Attention: SEP Coordinator, MC 175  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3087

**5. Publicity**

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

**6. Clean Texas Program**

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.





# Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

**TCEQ**

**DATES**

Assigned

12-Oct-2009

PCW

19-May-2010

Screening

10-Nov-2009

EPA Due

6-Jul-2010

## RESPONDENT/FACILITY INFORMATION

Respondent DCP Midstream, LP

Reg. Ent. Ref. No. RN100222330

Facility/Site Region 7-Midland

Major/Minor Source Major

## CASE INFORMATION

Enf./Case ID No. 38689

Docket No. 2009-1821-AIR-E

Media Program(s) Air

Multi-Media

No. of Violations 16

Order Type Findings

Government/Non-Profit No

Enf. Coordinator Miriam Hall

EC's Team Enforcement Team 4

Admin. Penalty \$ Limit Minimum

\$0

Maximum

\$10,000

## Penalty Calculation Section

**TOTAL BASE PENALTY (Sum of violation base penalties)**

Subtotal 1

\$600,500

## ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History

81.0% Enhancement

Subtotals 2, 3, & 7

\$486,405

Notes

The penalty was enhanced for two similar NOV's, one dissimilar NOV, one 1660 order and two findings orders. The penalty was reduced for one Notice of Audit.

Culpability

No

0.0% Enhancement

Subtotal 4

\$0

Notes

The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments

Subtotal 5

\$125

Economic Benefit

50.0% Enhancement

Subtotal 6

\$300,250

Total EB Amounts \$15,390,600

Approx. Cost of Compliance \$59,500,500

\*Capped at the Total EB \$ Amount

**SUM OF SUBTOTALS 1-7**

Final Subtotal

\$1,387,030

**OTHER FACTORS AS JUSTICE MAY REQUIRE**

-28.84%

Adjustment

-\$400,000

Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Reduction recommended to offset the amount of compliance costs (\$59,500,000) above and beyond what is required.

Final Penalty Amount

\$987,030

**STATUTORY LIMIT ADJUSTMENT**

Final Assessed Penalty

\$755,251

**DEFERRAL**

0.0%

Reduction

Adjustment

\$0

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

No deferral is recommended for Findings Orders.

**PAYABLE PENALTY**

\$755,251

Screening Date 10-Nov-2009

Docket No. 2009-1821-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 38689

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222330

Media [Statute] Air

Enf. Coordinator Miriam Hall

## Compliance History Worksheet

## &gt;&gt; Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	2	10%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	1	20%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	2	50%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgements or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%

Please Enter Yes or No

Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 81%

## &gt;&gt; Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

## &gt;&gt; Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

## &gt;&gt; Compliance History Summary

Compliance  
History  
Notes

The penalty was enhanced for two similar NOVs, one dissimilar NOV, one 1660 order and two findings orders. The penalty was reduced for one Notice of Audit.

Total Adjustment Percentage (Subtotals 2, 3, &amp; 7) 81%

Screening Date 10-Nov-2009

Docket No. 2009-1821-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 38689

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222330

Media [Statute] Air

Enf. Coordinator Miriam Hall

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 101.201(a)(1)(B) and Tex. Health &amp; Safety Code § 382.085(b)

Violation Description Failed to submit the initial notification for a reportable emissions event (Incident No. 115063) within 24 hours after discovery of the incident. Specifically, this emissions event was discovered on October 1, 2008 but was not reported until October 6, 2008.

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

## &gt;&gt; Programmatic Matrix

Falsification			
	Major	Moderate	Minor
			x

Percent 1%

Matrix Notes

The Respondent complied with more than 70% of the rule requirement.

Adjustment \$9,900

\$100

## Violation Events

Number of Violation Events 1

4 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$100

One single event is recommended for one late report.

## Good Faith Efforts to Comply

25.0% Reduction

\$25

	Before NOV	NOV to EDPRP/Settlement
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes

Corrective actions were completed by September 30, 2009, and the NOE was issued on October 9, 2009.

Violation Subtotal \$75

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$25

Violation Final Penalty Total \$147

This violation Final Assessed Penalty (adjusted for limits) \$147

# Economic Benefit Worksheet

Respondent DCP Midstream, LP  
 Case ID No. 38689  
 Reg. Ent. Reference No. RN100222330  
 Media Air  
 Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Overtime Costs	EB Amount
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No commas or \$

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$500	2-Oct-2008	30-Sep-2009	0.99	\$25	n/a	\$25

Notes for DELAYED costs

The date required is the date of the first emissions event which was not reported timely, and the final date is the date that the Respondent retrained employees on proper emissions event reporting protocol. The economic benefit for Violation Nos. 5 and 6 is also included here.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$25

Screening Date 10-Nov-2009  
Respondent DCP Midstream, LP  
Case ID No. 38689  
Reg. Ent. Reference No. RN100222330  
Media [Statute] Air  
Enf. Coordinator Miriam Hall

Docket No. 2009-1821-AIR-E

PCW

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 116.115(b)(2)(F); Permit No. 676A General Condition 8, Standard Permit No. 73563, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent the discharge of unauthorized emissions resulting from emissions events associated with the B-Turbine (See Attachment 1).

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual	x		
Potential			

Percent 100%

>> Programmatic Matrix

Falsification			
	Major	Moderate	Minor

Percent 0%

Matrix Notes Human health or the environment has been exposed to significant emissions which exceed levels that are protective of human health or environmental receptors as a result of this violation.

Adjustment \$0

\$10,000

Violation Events

Number of Violation Events 13

13 Number of violation days

mark only one  
with an x

daily	x
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$130,000

Thirteen daily events are recommended for September 19, October 1, and November 9 and 11, 2008 and January 9 and 23, February 14, 17, 19, and 26, March 28, and April 12 and 13, 2009.

Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$130,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$15,390,575

Violation Final Penalty Total \$213,698

This violation Final Assessed Penalty (adjusted for limits) \$130,000

# Economic Benefit Worksheet

Respondent DCP Midstream, LP  
 Case ID No. 38689  
 Reg. Ent. Reference No. RN100222330  
 Media Air  
 Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Cost Date Required Final Date Yrs Interest Saved Onetime Costs EB Amount  
 Item Description No commas or \$

## Delayed Costs

Equipment	\$59,000,000	18-Apr-2008	31-Dec-2011	3.70	\$728,475	\$14,569,498	\$15,297,973
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling	\$500,000	18-Apr-2008	31-Dec-2011	3.70	\$92,603	n/a	\$92,603
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The estimated cost of completing all corrective actions including equipment upgrades, additional maintenance, and training beginning with the first emissions event to the estimated completion date. (This economic benefit includes all emission violations on this PCW.) The training cost includes a training room with a turbine simulator for real-time training to optimize operations and minimize process shutdowns.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$59,500,000

TOTAL

\$15,390,575



Screening Date 10-Nov-2009  
Respondent DCP Midstream, LP  
Case ID No. 38689  
Reg. Ent. Reference No. RN100222330  
Media [Statute] Air  
Enf. Coordinator Miriam Hall

Docket No. 2009-1821-AIR-E

PCW

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code § 116.115(b)(2)(F); Permit No. 676A General Condition 8, Standard Permit No. 73563, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent the discharge of unauthorized emissions resulting from emissions events associated with the B-Turbine (See Attachment 1).

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		x	
Potential			

Percent 50%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to significant emissions which do not exceed levels that are protective of human health or environmental receptors as a result of this violation.

Adjustment \$5,000

\$5,000

Violation Events

Number of Violation Events 13

13 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$65,000

Thirteen single events are recommended for April 18, June 27, October 18, November 18, and December 9, 17 and 19, 2008 and February 15 and 16, March 15, 17, and 18, and April 1, 2009.

Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$65,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$106,849

This violation Final Assessed Penalty (adjusted for limits) \$106,849

# Economic Benefit Worksheet

Respondent DCP Midstream, LP  
 Case ID No. 38689  
 Reg. Ent. Reference No. RN100222330  
 Media Air  
 Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The economic benefit for this violation is included in the economic benefit for Violation No. 2.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$0

TOTAL

\$0

Screening Date 10-Nov-2009

Docket No. 2009-1821-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 38689

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222330

Media [Statute] Air

Enf. Coordinator Miriam Hall

Violation Number 4

Rule Cite(s) 30 Tex. Admin. Code § 116.115(b)(2)(F), Permit No. 676A General Condition 8, Standard Permit No. 73563, and Tex. Health &amp; Safety Code § 382.085(b)

Violation Description Failed to prevent the discharge of unauthorized emissions resulting from emissions events associated with the B-Turbine (See Attachment 1).

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			x
Potential			

Percent 25%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to insignificant emissions which do not exceed levels that are protective of human health or environmental receptors as a result of this violation.

Adjustment \$7,500

\$2,500

## Violation Events

Number of Violation Events 2

2 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$5,000

Two single events are recommended for the emission events which occurred on September 11, 2008 and April 10, 2009.

## Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$5,000

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$8,219

This violation Final Assessed Penalty (adjusted for limits) \$8,219

# Economic Benefit Worksheet

Respondent DCP Midstream, LP  
Case ID No. 38689  
Reg. Ent. Reference No. RN100222330  
Media Air  
Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The economic benefit for this violation is included in the economic benefit for Violation No. 2.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$0

TOTAL

\$0

Screening Date 10-Nov-2009

Docket No. 2009-1821-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 38689

PCW Revision October 30, 2009

Reg. Ent. Reference No. RN100222330

Media [Statute] Air

Enf. Coordinator Miriam Hall

Violation Number 5

Rule Cite(s)

30 Tex. Admin. Code § 101.201(a)(1)(B) and Tex. Health &amp; Safety Code § 382.085(b)

Violation Description

Failed to submit the initial notification for reportable emissions events (Incident Nos. 119050 and 121907) within 24 hours after discovery of the incident. Specifically, Incident No. 119050 was discovered on January 18, 2009 at 2:35 p.m. but was not reported until January 19, 2009 at 2:54 p.m. Incident No. 121907 was discovered on January 21, 2009 but was not reported until March 27, 2009.

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

## &gt;&gt; Programmatic Matrix

Falsification			
	Major	Moderate	Minor
			X

Percent 1%

Matrix Notes

The Respondent complied with more than 70% of the rule requirement.

Adjustment \$9,900

\$100

## Violation Events

Number of Violation Events 2

65 Number of violation days

mark only one  
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$200

Two single events are recommended, one for each late report.

## Good Faith Efforts to Comply

25.0% Reduction

\$50

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	X	
N/A		(mark with x)

Notes

Corrective actions were completed by September 30, 2009, and the NOE was issued on October 19, 2009.

Violation Subtotal \$150

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$293

This violation Final Assessed Penalty (adjusted for limits) \$293

# Economic Benefit Worksheet

Respondent DCP Midstream, LP  
 Case ID No. 38689  
 Reg. Ent. Reference No. RN100222330  
 Media Air  
 Violation No. 5

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Overtime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The economic benefit is included in Violation No. 1.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$0

TOTAL

\$0

Screening Date 10-Nov-2009

Docket No. 2009-1821-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 38689

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222330

Media [Statute] Air

Enf. Coordinator Miriam Hall

Violation Number 6

Rule Cite(s)

30 Tex. Admin. Code § 101.201(b)(1)(B) and Tex. Health &amp; Safety Code § 382.085(b)

Violation Description

Failed to submit the final report for a reportable emissions event (Incident No. 121907) within two weeks after the end of the incident. Specifically, Incident No. 121907 ended on January 22, 2009; however, the final report was not submitted until March 27, 2009.

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor
			X

Percent 1%

Matrix Notes

The Respondent complied with more than 70% of the rule requirement.

Adjustment \$9,900

\$100

## Violation Events

Number of Violation Events 1

50 Number of violation days

mark only one  
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$100

One event is recommended for one late report.

## Good Faith Efforts to Comply

25.0% Reduction

\$25

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	X	
N/A		(mark with x)

Notes

Corrective actions were completed by September 30, 2009, and the NOE was issued on October 19, 2009.

Violation Subtotal \$75

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$147

This violation Final Assessed Penalty (adjusted for limits) \$147

# Economic Benefit Worksheet

Respondent DCP Midstream, LP  
 Case ID No. 38689  
 Reg. Ent. Reference No. RN100222330  
 Media Air  
 Violation No. 6

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The economic benefit is included in Violation No. 1.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$0

TOTAL

\$0



Screening Date 10-Nov-2009

Docket No. 2009-1821-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 38689

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222330

Media [Statute] Air

Enf. Coordinator Miriam Hall

Violation Number 7

Rule Cite(s) 30 Tex. Admin. Code § 116.115(b)(2)(F); Permit No. 676A General Condition 8, Standard Permit No. 73563; and Tex. Health &amp; Safety Code § 382.085(b)

Violation Description Failed to prevent the discharge of unauthorized emissions resulting from emissions events associated with the A-Turbine (See Attachment 2).

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual	x		
Potential			

Percent 100%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to significant emissions which exceed levels that are protective of human health or environmental receptors as a result of this violation.

Adjustment \$0

\$10,000

## Violation Events

11

11

Number of violation days

mark only one  
with an x

daily	x
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$110,000

Eleven daily events are recommended for June 1, September 18, and December 19, 2008 and January 11, 15, 18-19, and 21, and April 6, 11, and 25, 2009.

## Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$110,000

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$180,821

This violation Final Assessed Penalty (adjusted for limits) \$110,000

# Economic Benefit Worksheet

Respondent DCP Midstream, LP  
 Case ID No. 38689  
 Reg. Ent. Reference No. RN100222330  
 Media Air  
 Violation No. 7

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No continues or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The economic benefit for this violation is included in the economic benefit for Violation No. 2.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$0

TOTAL

\$0

Screening Date 10-Nov-2009

Docket No. 2009-1821-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 38689

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222330

Media [Statute] Air

Enf. Coordinator Miriam Hall

Violation Number 8

Rule Cite(s) 30 Tex. Admin. Code § 116.115(b)(2)(F), Permit No. 676A General Condition 8, Standard Permit No. 73563, Tex. Health &amp; Safety Code § 382.085(b)

Violation Description Failed to prevent the discharge of unauthorized emissions resulting from emissions events associated with the A-Turbine (See Attachment 2).

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		x	
Potential			

Percent 50%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to significant emissions which do not exceed levels that are protective of human health or environmental receptors as a result of this violation.

Adjustment \$5,000

\$5,000

## Violation Events

6

6

Number of violation days

mark only one  
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$30,000

Six single events are recommended for July 13, 2008 and January 16, 26, and 29, February 16, and May 6, 2009.

## Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good-faith criteria for this violation.

Violation Subtotal \$30,000

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$49,315

This violation Final Assessed Penalty (adjusted for limits) \$49,315

# Economic Benefit Worksheet

Respondent DCP Midstream, LP  
 Case ID No. 38689  
 Reg. Ent. Reference No. RN100222330  
 Media Air  
 Violation No. 8

Percent Interest 5.0  
 Years of Depreciation 15

Item Cost Date Required Final Date Yrs Interest Saved Onetime Costs EB Amount  
 Item Description No commas or \$

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The economic benefit for this violation is included in the economic benefit for Violation No. 2.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance \$0

TOTAL \$0

Screening Date 10-Nov-2009  
Respondent DCP Midstream, LP  
Case ID No. 38689  
Reg. Ent. Reference No. RN100222330  
Media [Statute] Air  
Enf. Coordinator Miriam Hall

Docket No. 2009-1821-AIR-E

PCW

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

Violation Number 9

Rule Cite(s) 30 Tex. Admin. Code § 116.115(b)(2)(F), Permit No. 676A General Condition 8, Standard Permit No. 73563, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent the discharge of unauthorized emissions resulting from emissions events associated with the A-Turbine (See Attachment 2).

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			x
Potential			

Percent 25%

>> Programmatic Matrix

Falsification			
	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to insignificant emissions which do not exceed levels that are protective of human health or environmental receptors as a result of this violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 3

3 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$7,500

Three single events are recommended for January 22, 2009 and April 5 and 24, 2009.

Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$7,500

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$12,329

This violation Final Assessed Penalty (adjusted for limits) \$12,329

# Economic Benefit Worksheet

Respondent DCP Midstream, LP  
 Case ID No. 38689  
 Reg. Ent. Reference No. RN100222330  
 Media Air  
 Violation No. 9

Percent Interest	Years of Depreciation
5.0	15

Item Cost Date Required Final Date Yrs Interest Saved Onetime Costs EB Amount  
 Item Description No commas or \$

## Delayed Costs

Equipment			0.00	\$0	\$0	\$0
Buildings			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0
Engineering/construction			0.00	\$0	\$0	\$0
Land			0.00	\$0	n/a	\$0
Record Keeping System			0.00	\$0	n/a	\$0
Training/Sampling			0.00	\$0	n/a	\$0
Remediation/Disposal			0.00	\$0	n/a	\$0
Permit Costs			0.00	\$0	n/a	\$0
Other (as needed)			0.00	\$0	n/a	\$0

Notes for DELAYED costs

The economic benefit for this violation is included in the economic benefit for Violation No. 2.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal			0.00	\$0	\$0	\$0
Personnel			0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling			0.00	\$0	\$0	\$0
Supplies/equipment			0.00	\$0	\$0	\$0
Financial Assurance [2]			0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$0

TOTAL

\$0

Screening Date 10-Nov-2009

Docket No. 2009-1821-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 38689

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222330

Media [Statute] Air

Enf. Coordinator Miriam Hall

Violation Number 10

Rule Cite(s)

30 Tex. Admin. Code § 101.201(a)(1)(B) and Tex. Health &amp; Safety Code § 382.085(b)

Violation Description

Failed to submit the initial notification for a reportable emissions event (Incident No. 128688) within 24 hours after discovery of the incident. Specifically, Incident No. 128688 was discovered on August 25, 2009 at 1:37 p.m. but was not reported until August 26, 2009 at 5:13 p.m.

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0%

## &gt;&gt; Programmatic Matrix

Falsification			
	Major	Moderate	Minor
			x

Percent 1%

Matrix Notes

The Respondent complied with more than 70% of the rule requirement.

Adjustment \$9,900

\$100

## Violation Events

Number of Violation Events 1

1 Number of violation days

mark only one  
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$100

One single event is recommended for one late report.

## Good Faith Efforts to Comply

25.0% Reduction

\$25

	Before NOV	NOV to EDRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes

Corrective actions were completed by September 30, 2009, and the NOE was issued on April 14, 2010.

Violation Subtotal \$75

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$147

This violation Final Assessed Penalty (adjusted for limits) \$147

# Economic Benefit Worksheet

Respondent DCP Midstream, LP  
 Case ID No. 38689  
 Reg. Ent. Reference No. RN100222330  
 Media Air  
 Violation No. 10

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The economic benefit is included in Violation No. 1.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$0

TOTAL

\$0



Screening Date 10-Nov-2009  
Respondent DCP Midstream, LP  
Case ID No. 38689  
Reg. Ent. Reference No. RN100222330  
Media [Statute] Air  
Enf. Coordinator Miriam Hall

Docket No. 2009-1821-AIR-E

PCW

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

Violation Number 11

Rule Cite(s) 30 Tex. Admin. Code § 118.115(b)(2)(F), Permit No. 676A General Condition 8, Standard Permit No. 73583, and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent the discharge of unauthorized emissions resulting from emissions events associated with the A-Turbine (See Attachment 3).

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual	x		
Potential			

Percent 100%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to significant emissions which exceed levels that are protective of human health or environmental receptors as a result of this violation.

Adjustment \$0

\$10,000

Violation Events

Number of Violation Events 8

8 Number of violation days

mark only one with an x

daily	x
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$80,000

Eight daily events are recommended for August 4, December 12, 13, and 18, 2009 and January 1, 8, and 29, and March 8, 2010.

Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$80,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$131,506

This violation Final Assessed Penalty (adjusted for limits) \$80,000

# Economic Benefit Worksheet

Respondent DCP Midstream, LP  
 Case ID No. 38689  
 Reg. Ent. Reference No. RN100222330  
 Media Air  
 Violation No. 11

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No costs or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The economic benefit for this violation is included in the economic benefit for Violation No. 2.

## Avoided Costs

ANNUALIZE (1) avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance (2)				0.00	\$0	\$0	\$0
ONE-TIME avoided costs (3)				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$0

TOTAL

\$0

Screening Date 10-Nov-2009

Docket No. 2009-1821-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 38689

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222330

Media [Statute] Air

Enf. Coordinator Miriam Hall

V12

12

Rule Cite(s) 30 Tex. Admin. Code § 116.115(b)(2)(F), Permit No. 676A General Condition 8, Standard Permit No. 73563, and Tex. Health &amp; Safety Code § 382.085(b)

Violation Description Failed to prevent the discharge of unauthorized emissions resulting from emissions events associated with the A-Turbine (See Attachment 3).

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		x	
Potential			

Percent 50%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to significant emissions which do not exceed levels that are protective of human health or environmental receptors as a result of this violation.

Adjustment \$5,000

\$5,000

## Violation Events

Number of Violation Events 14

14 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$70,000

Fourteen single events are recommended for July 31, August 2 and 25, September 9, 26, and 30, October 7, November 27, and December 1, 27, and 31, 2009, and January 13, February 13 and 25, 2010.

## Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$70,000

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$115,068

This violation Final Assessed Penalty (adjusted for limits) \$115,068

# Economic Benefit Worksheet

Respondent DCP Midstream, LP  
 Case ID No. 38689  
 Reg. Ent. Reference No. RN100222330  
 Media Air  
 Violation No. 12

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Overtime Costs	EB Amount
No comments or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The economic benefit for this violation is included in the economic benefit for Violation No. 2.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$0

TOTAL

\$0

Screening Date 10-Nov-2009

Docket No: 2009-1821-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 38689

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222330

Media [Statute] Air

Enf. Coordinator Miriam Hall

Violation Number 13

Rule Cite(s) 30 Tex. Admin. Code § 116.115(b)(2)(F), Permit No. 676A General Condition 8, Standard Permit No. 73563, and Tex. Health &amp; Safety Code § 382.085(b)

Violation Description Failed to prevent the discharge of unauthorized emissions resulting from emissions events associated with the A-Turbine (See Attachment 3).

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm			Percent
	Major	Moderate	Minor	
Actual			x	25%
Potential				

## &gt;&gt; Programmatic Matrix

Falsification				Percent
	Major	Moderate	Minor	
				0%

Matrix Notes

Human health or the environment has been exposed to insignificant emissions which do not exceed levels that are protective of human health or environmental receptors as a result of this violation.

Adjustment \$7,500

\$2,500

## Violation Events

Number of Violation Events 7 7 Number of violation days

mark only one  
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$17,500

Seven single events are recommended for the emission events which occurred on August 23, September 1 and 16, October 8 and 10, 2009 and January 30 and February 8, 2010.

## Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$17,500

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$28,767

This violation Final Assessed Penalty (adjusted for limits) \$28,767

# Economic Benefit Worksheet

Respondent DCP Midstream, LP  
 Case ID No. 38689  
 Reg. Ent. Reference No. RN100222330  
 Media Air  
 Violation No. 13

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The economic benefit for this violation is included in the economic benefit for Violation No. 2.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$0

TOTAL

\$0

Screening Date 10-Nov-2009

Docket No. 2009-1821-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 38689

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222330

Media [Statute] Air

Enf. Coordinator Miriam Hall

Violation Number 14

Rule Cite(s) 30 Tex. Admin. Code § 116.115(b)(2)(F), Standard Permit No. 73563, and Tex. Health &amp; Safety Code § 382.085(b)

Violation Description Failed to prevent the discharge of unauthorized emissions resulting from emissions events associated with the B-Turbine (See Attachment 4).

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual	x		
Potential			

Percent 100%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to significant emissions which exceed levels that are protective of human health or environmental receptors as a result of this violation.

Adjustment \$0

\$10,000

## Violation Events

Number of Violation Events 4

4 Number of violation days

mark only one  
with an x

daily	x
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$40,000

Four daily events are recommended for April 23 and 27, and September 26, 2009 and January 1, 2010.

## Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$40,000

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$65,753

This violation Final Assessed Penalty (adjusted for limits) \$40,000

# Economic Benefit Worksheet

Respondent DCP Midstream, LP  
 Case ID No. 38689  
 Reg. Ent. Reference No. RN100222330  
 Media Air  
 Violation No. 14

Percent interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The economic benefit for this violation is included in the economic benefit for Violation No. 2.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$0

TOTAL

\$0



Screening Date 10-Nov-2009

Docket No. 2009-1821-AIR-E

PCW

Respondent DCP Midstream, LP

Policy Revision 2 (September 2002)

Case ID No. 38689

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100222330

Media [Statute] Air

Enf. Coordinator Miriam Hall

Violation Number 15

Rule Cite(s) 30 Tex. Admin. Code § 116.115(b)(2)(F), Standard Permit No. 73563, and Tex. Health &amp; Safety Code § 382.085(b)

Violation Description

Failed to prevent the discharge of unauthorized emissions resulting from emissions events associated with the B-Turbine (See Attachment 4).

Base Penalty \$10,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		X	
Potential			

Percent 50%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to significant emissions which do not exceed levels that are protective of human health or environmental receptors as a result of this violation.

Adjustment \$5,000

\$5,000

## Violation Events

Number of Violation Events 8

8 Number of violation days

mark only one  
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	X

Violation Base Penalty \$40,000

Eight single events are recommended for April 18, 21, 22 and 24, September 3 and 22, 2009 and January 23 and 31, 2010.

## Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDCRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	X	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$40,000

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$65,753

This violation Final Assessed Penalty (adjusted for limits) \$65,753

# Economic Benefit Worksheet

Respondent: DCP Midstream, LP  
 Case ID No: 38689  
 Reg. Ent. Reference No: RN100222330  
 Media: Air  
 Violation No: 15

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The economic benefit for this violation is included in the economic benefit for Violation No. 2.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$0

TOTAL

\$0

Screening Date 10-Nov-2009  
Respondent DCP Midstream, LP  
Case ID No. 38689  
Reg. Ent. Reference No. RN100222330  
Media [Statute] Air  
Enf. Coordinator Miriam Hall

Docket No. 2009-1821-AIR-E

PCW

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

Violation Number 16

Rule Cite(s) 30 Tex. Admin. Code § 116.115(b)(2)(F), Standard Permit No. 73563, and Tex. Health & Safety Code § 382.085(b)

Violation Description Failed to prevent the discharge of unauthorized emissions resulting from emissions events associated with the B-Turbine (See Attachment 4).

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 25%

>> Programmatic Matrix

Falsification			
	Major	Moderate	Minor

Percent 0%

Matrix Notes Human health or the environment has been exposed to insignificant emissions which do not exceed levels that are protective of human health or environmental receptors as a result of this violation.

Adjustment \$7,500

\$2,500

Violation Events

Number of Violation Events 2

2 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	X

Violation Base Penalty \$5,000

Two single events are recommended for April 25 and June 20, 2009.

Good Faith Efforts to Comply

0.0% Reduction

\$0

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	X	(mark with x)

Notes The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$5,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$8,219

This violation Final Assessed Penalty (adjusted for limits) \$8,219

# Economic Benefit Worksheet

Respondent DCP Midstream, LP  
Case ID No. 38689  
Reg. Ent. Reference No. RN100222330  
Media Air  
Violation No. 16

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The economic benefit for this violation is included in the economic benefit for Violation No. 2.

## Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$0

TOTAL

\$0

Attachment 1 – B-Turbine Emission Events, Violation Nos. 2-4

Date	Incident No.	Violation No.	Carbon Monoxide ("CO") lbs.	Hydrogen Sulfide ("H <sub>2</sub> S") lbs.	Volatile Organic Compounds ("VOC") lbs.	Sulfur Dioxide ("SO <sub>2</sub> ") lbs.	Nitrogen Oxides ("NO <sub>x</sub> ") lbs.	Duration
2008								
04/18	106552	3	592.61	24.23	344.83	2,231.90	148.80	26 min
06/27	110315	3	794.28	26.50	469.49	199.44	2,440.97	40 min
09/11	113927	4	1,204.23	N	15.15	N	N	1 hr 57 min
	<sup>a</sup>		1.58	7.52	0.12	692.59	0.40	
09/19	114317 <sup>a</sup>	2	308.13	1,511.04	11.52	139,179.89	N	25 hr 52 min
10/01	115063	2	5,252.71	14.85	174.96	1,367.73	1,318.92	2 hr 48 min
	<sup>b</sup>		N	43.04	0.28	3,964.61	N	
	<sup>a</sup>		143.15	193.78	5.38	17,848.57	35.95	
10/18	115563	3	1,010.85	36.67	608.32	3,377.51	253.82	39 min
11/09	116421	2	5,517.12	200.13	3,320.15	18,434.08	1,385.30	2 hr 45 min
11/11	116491	2	2,679.52	109.93	1591.75	10,125.03	672.81	1 hr 25 min
11/18	116765	3	1,129.51	40.97	679.73	3,773.97	283.61	31 min
12/09	117513	3	1,847.07	89.24	1,064.18	8,219.37	463.78	1 hr 0 min
12/17	117822	3	859.62	41.94	461.36	3,863.06	215.84	22 min
12/19	117970	3	2,017.94	75.79	1,202.25	6,980.83	N	2 hr 18 min
2009								
01/09	118684	2	7,906.08	296.93	4,710.30	27,350.12	N	20 hr 42 min
01/23	119273	2	3,602.11	147.09	2,111.84	13,548.43	904.46	1 hr 42 min
02/14	120169	2	3,680.53	130.56	1,904.14	12,025.81	924.15	3 hr 6 min
	120171		17,731.56	685.50	9,988.29	63,140.78	4,452.25	14 hr 4 min
02/15	120178	3	862.90	31.06	452.87	2,860.71	216.67	40 min
02/16	120199	3	712.94	25.59	373.16	2,356.91	179.01	33 min
02/17	120255	2	7,414.15	265.39	3,890.08	24,444.66	1,861.63	3 hr 0 min
02/19	120391	2	29,158.85	888.59	18,087.25	81,846.80	7321.55	22 hr 2 min
02/26	120497	2	N	258.21	3354.43	23,783.54	N	384 hr 0 min
03/15	121336	3	3,397.47	45.12	775.09	4,155.63	853.07	2 hr 0 min
03/17	121482	3	2,433.58	80.36	1,420.65	7,402.01	N	2 hr 6 min
03/18	121542	3	1,889.63	72.84	1,089.94	6,709.55	N	1 hr 38 min
03/28	121944	2	21,010.72	719.57	12,938.47	66,278.25	5,275.62	14 hr 9 min
	<sup>a</sup>		177.64	147.20	7.10	13,558.65	44.60	
04/01	122172	3	3,025.96	94.51	1,683.52	8,705.16	N	3 hr 44 min
04/10	122598	4	684.57	21.35	384.58	1,966.32	171.89	33 min
04/12	122625	2	8,704.90	276.80	5,036.24	25,495.65	2,185.53	5 hr 26 min
04/13	122703	2	9,103.23	289.79	5,233.87	26,692.12	N	17 hr 17 min
Total	FLR03		144,224.64	4,989.51	83,366.89	457,335.37	31,529.68	
Pounds ("lbs.")	FLR01 <sup>a</sup>		630.50	1,859.54	24.12	171,279.70	80.95	
	INCIN <sup>b</sup>		N	43.04	0.28	3,964.61	N	
Total lbs emitted			144,855.14	6,892.09	83,391.29	632,579.68	31,610.63	
Total lbs authorized by permits			37,424.07	10.56	1,228.37	1,349.21	22,883.59	
Total lbs unauthorized by permits			107,431.07	6,881.53	82,162.92	631,230.47	8,727.04	
Total tons unauthorized by permits			53.72	3.44	41.08	315.62	4.39	

Emissions Point Number FLR03 unless otherwise noted as follows:

<sup>a</sup> = FLR01 = Acid Gas Flare

<sup>b</sup> = INCIN = Tail Gas Incinerator

N = No documented exceedance

DURATION = total time for incident, hours ("hr") minutes ("min")

Maximum Emission Rates ("MAER") in Pounds Per Hour ("lbs/hr") and Tons Per Year (TPY):

Emission Point No. ("EPN")	CO MAER		H <sub>2</sub> S MAER		VOC MAER		NO <sub>x</sub> MAER		SO <sub>2</sub> MAER	
	lbs/hr	TPY	lbs/hr	TPY	lbs/hr	TPY	lbs/hr	TPY	lbs/hr	TPY
FLR03 <sup>1</sup>	293.4	8.87	0.00	0.00	2.4	0.10	293.3	8.81	0.00	0.00
FLR01 <sup>2</sup> (Permit 676A	0.02	0.10	0.00	0.00	0.01	0.01	0.01	0.03	0.01	0.01
INCIN <sup>3</sup>	42.24	185.0	3.77	16.50	0.07	0.29	3.20	14.00	481.70	1521.8

1. Permit No.73563, Residue Compression Flare
2. Permit No. 676A, Acid Gas Flare
3. Permit No. 676A, Sulfur Recovery Unit Tail Gas Incinerator

**Attachment 2 – A-Turbine Emissions Events, Violations 7-9**

Date	Incident No.	Violation No.	CO lbs	H <sub>2</sub> S lbs	VOC lbs	SO <sub>2</sub> lbs	NO <sub>x</sub> lbs	Duration
<b>2008</b>								
06/01	108478	7	11,061.90	431.48	6,612.26	39,742.66	2,777.55	5 hr 58-min
07/13	111045	8	1,871.53	62.44	1,106.23	5,751.52	469.92	1 hr 18-min
	<sup>b</sup>		N	26.90	0.17	2,477.89	N	
09/18	114257	7	5,217.36	743.23	552.76	68,457.41	1,310.04	14 hr 0 min
12/19	117957	7	3,749.44	140.82	2,233.85	12,970.73	941.45	2 hr 13 min
<b>2009</b>								
01/11	118719	7	19,998.10	796.32	12,220.88	73,347.87	5,021.36	10 hr 20 min
	<sup>a</sup>		7.78	31.05	2.36	2,859.79	1.96	
01/15	118957	7	N	154.23	2,446.56	14,205.84	N	19 hr 41 min
01/16	119028	8	1,158.10	56.50	621.56	5,204.41	290.79	33 min
01/18-01/19	119050	7	40,390.07	1,829.67	25,886.47	168,528.25	10,141.61	32 hr 0 min
	<sup>a</sup>		308.67	117.72	12.48	10,842.00	77.50	
01/21	119153	7	26,132.11	981.46	15,569.02	90,400.81	6,561.56	10 hr 57 min
	121907 <sup>a</sup>		58.35	63.51	5.21	5,849.48	14.65	12 hr 12 min
01/22	119239	9	N	5.89	88.05	542.56	N	1 hr 59 min
01/26	119346	8	972.75	38.83	578.14	3,576.15	244.25	40 min
01/29	119501	8	1,247.06	44.91	661.65	4,136.94	313.13	1 hr 00 min
02/16	120190	8	2,391.16	85.61	1,251.31	7,885.08	N	2 hr 30 min
	<sup>b</sup>		N	16.96	N	1,562.52	N	
04/05	122292	9	N	28.87	533.20	2,658.97	N	8 hr 35 min
04/06	122370	7	21,798.78	691.92	11,675.66	63,731.72	5,473.49	15 hr 38 min
04/11	122609	7	536.79	16.74	301.08	1,542.25	N	29 min
	122615		8,850.83	281.94	5,079.41	25,968.92	2,222.37	
04/24	123290	9	627.25	18.77	391.27	1,728.44	157.50	24 min
04/25	123379	7	4,143.97	125.30	2,682.35	11,541.13	1,040.52	3 hr 24 min
05/06	123895	8	2,912.61	66.10	1,874.77	6,088.04	731.33	1 hr 34 min
Total lbs	FLR03		153,059.81	6,601.03	92,366.48	608,009.70	37,696.87	
	FLR01 <sup>a</sup>		374.8	212.28	20.05	19,551.27	94.11	
	INCIN <sup>b</sup>		N	43.86	0.17	4,040.42	N	
Total lbs emitted			153,434.61	6857.27	92,386.71	631,601.39	37,790.98	
Total lbs authorized by permits			35,409.58	14.33	362.93	1,830.02	34,526.85	
Total lbs unauthorized by permits			118,025.03	6,842.94	92,023.78	629,771.37	3,264.13	
Total tons unauthorized by permits			59.01	3.42	46.01	314.89	1.63	

<sup>a</sup> = Acid Gas Flare (FLR01)

<sup>b</sup> = Tail Gas Incinerator (INCIN)

N = No documented exceedance

All other emissions are from the Residue Compression Flare (FLR03)





### Attachment 3 – A-Turbine Emissions Events, Violations 11-13

Date	Incident No.	Violation No.	CO lbs	H <sub>2</sub> S lbs	VOC lbs	SO <sub>2</sub> lbs	NO <sub>x</sub> lbs	Duration
2009								
07/31	127565	12	1,646.75	56.77	1,091.86	5,229.44	N	2 hr 9 min
08/02	127580	12	734.48	28.69	476.07	2,642.48	184.42	29 min
08/04	127705	11	3,125.81	118.94	2,048.89	10,955.12	N	5 hr 24 min
08/23	128509	13	538.25	21.34	346.61	1,965.36	N	29 min
08/25	128688	12	1,624.70	57.71	1,094.65	5,315.89	407.95	50 min
09/01	128882	13	560.28	18.33	363.10	1,688.81	N	29 min
09/09	129162	12	986.54	32.28	639.39	2,973.54	247.71	11 min
09/16	129518	13	260.63	8.01	170.40	737.89	N	4 hr 42 min
09/26	129926	12	892.37	32.71	621.71	3,013.27	224.07	38 min
09/30	130135	12	1,943.60	39.68	827.98	3,654.41	488.02	1 hr 21 min
10/06	130414	13	438.26	14.65	258.36	1,349.62	N	33 min
10/07	130460	12	5,708.28	96.94	1,609.63	8,929.40	N	6 hr 33 min
10/10	130571	13	282.47	9.33	166.39	859.11	N	22 min
11/27	132536	12	1,764.57	61.48	1,035.81	5,662.69	443.07	1 hr 0 min
	132541		896.00	30.11	529.48	2,772.96	224.98	45 min
12/01	132639	12	636.18	23.07	369.04	2,124.92	159.74	29 min
12/12	133157	11	8,938.04	359.05	5,061.07	33,071.52	2,244.27	5 hr 15 min
12/13	133169	11	8,732.48	351.62	4,941.73	32,387.29	N	7 hr 35 min
12/18	133500	11	9,804.61	285.81	3,402.33	26,325.92	N	20 hr 3 min
	a		134.67	150.62	4.73	13,873.60	33.82	
12/27	133681	12	1,986.76	69.87	1,137.21	6,435.97	498.86	1 hr 40 min
12/31	133850	12	1,053.37	37.44	605.57	3,448.39	N	58 min
2010								
01/01	133852	11	4,241.71	160.04	2,290.01	14,740.67	N	6 hr 49 min
01/08	134213	11	4,297.31	168.68	2,347.72	15,536.90	1,079.02	2 hr 48 min
01/13	134435	12	642.48	26.95	358.32	2,482.33	N	33 min
01/29	135190	11	6,257.32	239.23	3,323.89	22,034.88	1,571.16	4 hr 4 min
01/30	135193	13	320.93	12.47	170.55	1,148.49	N	29 min
02/08	135617	13	249.53	11.36	133.21	1,046.61	N	27 min
02/13	135815	12	679.05	25.24	346.71	2,324.56	170.50	33 min
02/25	136335	12	582.19	24.32	303.92	2,239.83	N	33 min
03/08	136729	11	3,070.75	123.96	1,566.53	11,417.81	771.04	2 hr 5 min
	a		0.77	3.72	0.03	342.30	0.19	
Total lbs	FLR03		72,895.70	2,546.08	37,638.14	234,516.08	8,714.81	
	FLR01 <sup>a</sup>		135.44	154.34	4.76	14,215.90	34.01	
Total lbs emitted			73,031.14	2,700.42	37,642.90	248,731.98	8,748.82	
Total lbs authorized by permits			23,550.68	0.00	192.86	0.22	6,491.93	
Total lbs unauthorized by permits			49,480.46	2,700.42	37,450.04	248,731.76	2,256.89	
Total tons unauthorized by permits			24.74	1.35	18.73	124.37	1.13	

<sup>a</sup> = Acid Gas Flare (FLR01)

N = No documented exceedance

All other emissions are from the Residue Compression Flare (FLR03)



# Attachment 4 – B-Turbine Emission Events, Violations 14-16

Date	Incident No.	Violation No.	CO lbs	H <sub>2</sub> S lbs	VOC lbs	SO <sub>2</sub> lbs	NO <sub>x</sub> lbs	Duration
2009								
04/18	122977	15	N	22.69	421.01	2,090.35	N	5 hr 29 min
04/21	123116	15	755.90	23.28	430.08	2,144.70	189.80	4 hr 17 min
04/22	123143	15	655.31	26.30	368.52	2,422.20	164.54	22 min
	123170		550.68	12.50	354.46	1,151.05	138.27	27 min
04/23	123285	14	5,912.38	258.91	3,364.63	23,848.00	1,484.55	2 hr 58 min
	123289		910.84	27.00	569.54	2,486.68	228.70	31 min
04/24	123378	15	741.67	22.04	463.43	2,030.40	186.23	26 min
04/25	123384	16	887.44	20.14	571.22	1,854.95	N	2 hr 24 min
04/27	123390	14	1,564.73	45.54	1,021.20	4,194.57	N	1 hr 25 min
	123463		23,046.41	677.85	15,019.61	62,435.99	5,786.76	16 hr 27 min
6/20	125827	16	457.65	17.96	294.02	1,654.71	N	33 min
9/3	129006	15	1,109.19	36.57	712.06	3,368.76	278.51	37 min
9/22	129766	15	801.04	26.62	509.26	2,451.48	201.14	29 min
9/26	129932	14	920.16	29.88	602.04	2,752.25	231.04	31 min
	129934		1,503.80	49.13	976.50	4,525.63	377.59	45 min
	129937		N	88.34	1,822.91	8,137.10	690.51	1 hr 48 min
2010								
01/01	133866	14	2,983.88	120.45	1,644.24	11,094.89	N	7 hr 24 min
01/23	134883	15	2,574.23	96.76	1,366.83	8,912.06	646.37	1 hr 21 min
01/31	135216	15	2,381.92	98.32	1,267.90	9,055.90	598.08	1 hr 45 min
Total lbs emitted by EPN FLR03			50,507.25	1,700.28	31,779.46	156,611.67	11,202.09	
Total lbs authorized by permit			13,056.30	0.00	119.96	0.00	9,600.69	
Total lbs unauthorized			37,450.95	1,700.28	31,659.50	156,611.67	1,601.40	
Total tons unauthorized			18.73	0.85	15.83	78.31	0.80	

N = No documented exceedance

All emissions are from the Residue Compression Flare (FLR03)



# Compliance History Report

Customer/Respondent/Owner-Operator:	CN601229917	DCP Midstream, LP	Classification: AVERAGE	Rating: 2.57																																										
Regulated Entity:	RN100222330	GOLDSMITH GAS PLANT	Classification: AVERAGE	Site Rating: 9.35																																										
ID Number(s):	<table border="0"> <tr> <td>AIR OPERATING PERMITS</td> <td>ACCOUNT NUMBER</td> <td>EB0053J</td> </tr> <tr> <td>AIR OPERATING PERMITS</td> <td>PERMIT</td> <td>2585</td> </tr> <tr> <td>AIR NEW SOURCE PERMITS</td> <td>PERMIT</td> <td>10321</td> </tr> <tr> <td>AIR NEW SOURCE PERMITS</td> <td>PERMIT</td> <td>10532</td> </tr> <tr> <td>AIR NEW SOURCE PERMITS</td> <td>PERMIT</td> <td>12612A</td> </tr> <tr> <td>AIR NEW SOURCE PERMITS</td> <td>PERMIT</td> <td>676A</td> </tr> <tr> <td>AIR NEW SOURCE PERMITS</td> <td>ACCOUNT NUMBER</td> <td>EB0053J</td> </tr> <tr> <td>AIR NEW SOURCE PERMITS</td> <td>REGISTRATION</td> <td>54944</td> </tr> <tr> <td>AIR NEW SOURCE PERMITS</td> <td>REGISTRATION</td> <td>73563</td> </tr> <tr> <td>AIR NEW SOURCE PERMITS</td> <td>AFS NUM</td> <td>4813500022</td> </tr> <tr> <td>AIR NEW SOURCE PERMITS</td> <td>PERMIT</td> <td>73567</td> </tr> <tr> <td>AIR NEW SOURCE PERMITS</td> <td>REGISTRATION</td> <td>76810</td> </tr> <tr> <td>AIR NEW SOURCE PERMITS</td> <td>REGISTRATION</td> <td>85276</td> </tr> <tr> <td>AIR EMISSIONS INVENTORY</td> <td>ACCOUNT NUMBER</td> <td>EB0053J</td> </tr> </table>				AIR OPERATING PERMITS	ACCOUNT NUMBER	EB0053J	AIR OPERATING PERMITS	PERMIT	2585	AIR NEW SOURCE PERMITS	PERMIT	10321	AIR NEW SOURCE PERMITS	PERMIT	10532	AIR NEW SOURCE PERMITS	PERMIT	12612A	AIR NEW SOURCE PERMITS	PERMIT	676A	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	EB0053J	AIR NEW SOURCE PERMITS	REGISTRATION	54944	AIR NEW SOURCE PERMITS	REGISTRATION	73563	AIR NEW SOURCE PERMITS	AFS NUM	4813500022	AIR NEW SOURCE PERMITS	PERMIT	73567	AIR NEW SOURCE PERMITS	REGISTRATION	76810	AIR NEW SOURCE PERMITS	REGISTRATION	85276	AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	EB0053J
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AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	EB0053J																																												
Location:	On State Highway ("SH") 158, approximately one mile west of the intersection of SH 158 (Gulf Avenue) and Scharhauer Street in Goldsmith.																																													
TCEQ Region:	REGION 07 - MIDLAND																																													
Date Compliance History Prepared:	December 02, 2009																																													
Agency Decision Requiring Compliance History:	Enforcement																																													
Compliance Period:	December 02, 2004 to December 02, 2009																																													

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Miriam Hall Phone: (512) 239-1044

## Site Compliance History Components

- Has the site been in existence and/or operation for the full five year compliance period? Yes
- Has there been a (known) change in ownership/operator of the site during the compliance period? No
- If Yes, who is the current owner/operator?  
N/A
- If Yes, who was/were the prior owner(s)/operator(s) ?  
N/A
- When did the change(s) in owner or operator occur?  
N/A
- Rating Date: 9/1/2009 Repeat Violator: NO

## Components (Multimedia) for the Site :

A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

Effective Date: 04/14/2008 ADMINORDER 2006-0958-AIR-E

Classification: Major

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Spec. Cond. 1 PERMIT

Description: Failed to prevent the unauthorized release of air contaminants into the atmosphere.

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THC Chapter 382, SubChapter A 382.085(b)

Rqmt Prov: Permit No. 676A/Special Condition 2 PERMIT

Description: Failed to maintain the sulfur recovery efficiency in the SRU of at least 98 percent based on a rolling seven-day average.

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)  
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to submit complete and accurate deviation reports for the periods of January 1, 2005 through June 30, 2005, and July 1, 2005 through December 31, 2005

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
 30 TAC Chapter 116, SubChapter B 116.115(c)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT A 60.7(a)  
 5C THC Chapter 382, SubChapter A 382.085(b)  
 Rqmt Prov: Permit No. 676A/Special Condition 7 PERMIT  
 Description: Failed to submit a startup and a construction notification for modifications to the amine treater unit during 2002 as required.

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)  
 5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to plug, cap, or double-valve an unreported number of open ended VOC lines and valves.

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.121  
 5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failed to revise FOP No. O-00804 to include one turbine, and two compressor engines (EPN Nos. TUR-B, 22R-1 and 29R-2) prior to the startup of the units.

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)  
 5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to include the correct authorized emissions limits on Scheduled Maintenance Incident #77400 for the residue compression flare and on Emissions Event Incident #79882 for the residue compression flare.

Effective Date: 11/17/2008

ADMINORDER 2008-0497-AIR-E

Classification: Major

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)  
 30 TAC Chapter 116, SubChapter B 116.115(c)  
 5C THSC Chapter 382 382.085(b)

Rqmt Prov: SC No. 1 PERMIT

Description: Failed to comply with the emission limit for SO2 contained in the maximum allowable emission rate table at EPN No. INCIN.

Effective Date: 07/09/2009

ADMINORDER 2009-0201-AIR-E

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)  
 30 TAC Chapter 116, SubChapter B 116.115(c)  
 30 TAC Chapter 116, SubChapter F 116.615(2)  
 5C THSC Chapter 382 382.085(b)

Rqmt Prov: MAERT PERMIT

Permit No. 676A Special Condition 1 PERMIT

Description: The Respondent failed to prevent the unauthorized release of air contaminants into the atmosphere.

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1	07/11/2005	(371946)
2	09/13/2005	(431404)
3	12/21/2005	(449721)
4	01/09/2006	(449672)
5	03/01/2006	(457744)
6	03/24/2006	(460425)
7	06/01/2006	(480998)
8	06/27/2006	(481095)
9	10/05/2006	(514299)
10	10/17/2006	(516382)
11	10/18/2006	(516632)
12	06/05/2007	(563142)

13	06/07/2007	(563372)
14	06/13/2007	(563873)
15	06/22/2007	(560161)
16	07/16/2007	(567798)
17	08/31/2007	(574418)
18	09/05/2007	(593409)
19	09/06/2007	(593567)
20	09/13/2007	(594421)
21	10/12/2007	(597703)
22	10/15/2007	(597759)
23	10/24/2007	(598983)
24	10/31/2007	(599671)
25	11/27/2007	(609951)
26	12/19/2007	(612293)
27	01/11/2008	(614194)
28	02/14/2008	(618547)
29	03/14/2008	(638082)
30	04/15/2008	(646520)
31	05/12/2008	(670700)
32	05/28/2008	(681144)
33	06/02/2008	(681405)
34	06/02/2008	(681632)
35	06/24/2008	(681411)
36	10/01/2008	(704323)
37	10/03/2008	(704406)
38	10/03/2008	(704486)
39	10/06/2008	(704616)
40	12/18/2008	(721515)
41	01/15/2009	(723941)
42	01/15/2009	(723956)
43	01/16/2009	(724053)
44	01/16/2009	(724083)
45	01/21/2009	(724405)
46	01/22/2009	(724553)
47	02/02/2009	(725086)
48	03/05/2009	(737237)
49	03/12/2009	(738435)
50	03/31/2009	(740848)
51	05/28/2009	(710005)
52	07/29/2009	(763369)
53	07/31/2009	(746255)
54	08/03/2009	(764256)
55	08/10/2009	(765099)
56	08/10/2009	(765117)
57	08/10/2009	(765135)
58	08/10/2009	(765137)
59	08/10/2009	(765145)
60	08/21/2009	(766490)
61	08/24/2009	(766287)
62	09/23/2009	(777059)
63	10/12/2009	(748807)
64	10/14/2009	(779227)
65	10/16/2009	(761306)
66	12/02/2009	(784085)
67	12/02/2009	(784194)
68	12/02/2009	(784226)
69	12/02/2009	(784246)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date: 05/23/2007 (560161)

CN601229917

Self Report? NO

Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to install the device to monitor the combustion temperature/exhaust gas temperature for the tail gas incinerator in the combustion chamber or immediately downstream as required by Federal Operating Permit No. O2585.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THC Chapter 382, SubChapter A 382.085(b)

Description: Failure to properly record the tail gas incinerator firebox temperature from midnight on November 17, 2006 through 0900 hours on November 22, 2006. The Compliance Assurance Monitoring requirement of Federal Operating Permit No. O2585 requires that 4 data points for this parameter be recorded and averaged every hour.

Date: 03/14/2008 (638083)

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)  
Permit No. 676A Special Condition No. 5 PERMIT

Description: The failure to comply with the sulfur production limit established by Special Condition 5 of Permit No. 676A.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)

Description: The failure to submit a revision application to codify the applicable requirements of 40 CFR Part 63 Subpart ZZZZ as required by Special Condition No. 1.G. of Federal Operating Permit No. O2685.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)  
5C THSC Chapter 382 382.085(b)

Description: Failure to comply with the MAER Table of Permit No. 676A by exceeding the short term limit for sulfur dioxide emissions from the tail gas incinerator.

Date: 03/03/2009 (737237)

CN601229917

Self Report? NO

Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.145(2)(A)  
5C THSC Chapter 382 382.085(b)

Description: Failure to include the recordable-only maintenance, startup, and shutdown events associated with compressor blow downs on the semi-annual deviation reports for calendar year 2007.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.211(b)  
5C THSC Chapter 382 382.085(b)

Description: The failure to maintain records of recordable maintenance, startup, and shutdown events associated with compressor blow downs.

Self Report? NO

Classification: Minor

Citation: 30 TAC Chapter 101, SubChapter A 101.20(1)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT JJJ 60.632(a)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)  
5C THSC Chapter 382 382.085(b)  
Permit 676A Special Condition 12.(E.) PERMIT

Description: The failure to identify and to properly manage the open-ended lines.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
5C THSC Chapter 382 382.085(b)  
Permit 676A Special Condition 10.A. PERMIT

Description: Failure to comply with the requirement of Special Condition 10.A. of Permit Number 676A which requires that "Visual, audio and olfactory checks for H2S leaks within the operating area shall be made at least once per shift."

F. Environmental audits.

Notice of Intent Date: 02/18/2008 (639391)  
No DOV Associated

G. Type of environmental management systems (EMSs).



N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A



# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
DCP MIDSTREAM, LP  
RN100222330**

§  
§  
§  
§  
§

**BEFORE THE  
  
TEXAS COMMISSION ON  
  
ENVIRONMENTAL QUALITY**

## **AGREED CORRECTIVE ACTION ORDER DOCKET NO. 2009-1821-AIR-E**

At its \_\_\_\_\_ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding DCP Midstream, LP ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this agreement to the Commission.

The Respondent understands that it has certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Corrective Action Order, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated settlement of the parties. The provisions of this Agreed Corrective Action Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Corrective Action Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Agreed Corrective Action Order are binding upon the Respondent.

The Commission makes the following Findings of Fact and Conclusions of Law:

### **I. FINDINGS OF FACT**

1. The Respondent owns and operates a natural gas processing plant on State Highway ("SH") 158, approximately one mile west of the intersection of SH 158 (Gulf Avenue) and Scharhauer Street in Goldsmith, Ector County, Texas (the "Plant").

2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. During a record review on June 3, 2009, TCEQ staff documented that the Respondent:
  - a. Failed to submit the initial notification for a reportable emissions event (Incident No. 115063) within 24 hours after discovery of the incident. Specifically, this emissions event was discovered on October 1, 2008 but was not reported until October 6, 2008.
  - b. Failed to prevent the discharge of unauthorized emissions resulting from emissions events associated with the B-Turbine. The maximum allowable emission rates ("MAERs") for the Residue Compression Flare, Emission Point No. ("EPN") FLR03, Standard Permit No. 73563, are as follows: carbon monoxide ("CO") 293.4 pounds per hour ("lbs/hr"), hydrogen sulfide ("H<sub>2</sub>S") 0.00 lbs/hr, volatile organic compounds ("VOC") 2.4 lbs/hr, sulfur dioxide ("SO<sub>2</sub>") 0.00 lbs/hr, and nitrogen oxides ("NO<sub>x</sub>") 293.3 lbs/hr. The MAERs for the Acid Gas Flare, EPN FLR01, Permit 676A are as follows: CO 0.02 lbs/hr, H<sub>2</sub>S 0.00 lbs/hr, VOC 0.01 lbs/hr, SO<sub>2</sub> 0.01 lbs/hr, and NO<sub>x</sub> 0.01 lbs/hr. The MAER for the Sulfur Recovery Unit Tail Gas Incinerator are as follows: CO 42.24 lbs/hr, H<sub>2</sub>S 3.77 lbs/hr, VOC 0.07 lbs/hr, SO<sub>2</sub> 481.70 lbs/hr, and NO<sub>x</sub> 3.20 lbs/hr. From April 18, 2008 through April 13, 2009, there were 28 emission events in which the MAERs were exceeded, resulting in total excess emissions of 53.72 tons of CO, 3.44 tons of H<sub>2</sub>S, 41.08 tons of VOC, 315.62 tons of SO<sub>2</sub>, and 4.39 tons of NO<sub>x</sub> as documented in the table below. Because these events could have been avoided by good operation and/or maintenance practices, the Respondent did not meet the affirmative defense in 30 TEX. ADMIN. CODE § 101.222.

Date	Incident No.	CO lbs	H <sub>2</sub> S lbs	VOC lbs	SO <sub>2</sub> lbs	NO <sub>x</sub> lbs	Duration
<b>2008</b>							
April 18	106552	592.61	24.23	344.83	2,231.90	148.80	26 min
June 27	110315	794.28	26.50	469.49	199.44	2,440.97	40 min
September 11	113927	1,204.23	N	15.15	N	N	1 hr 57 min
	<sup>a</sup>	1.58	7.52	0.12	692.59	0.40	
September 19	114317 <sup>a</sup>	308.13	1,511.04	11.52	139,179.89	N	25 hr 52 min
October 1	115063	5,252.71	14.85	174.96	1,367.73	1,318.92	2 hr 48 min
	<sup>b</sup>	N	43.04	0.28	3,964.61	N	
	<sup>a</sup>	143.15	193.78	5.38	17,848.57	35.95	
October 18	115563	1,010.85	36.67	608.32	3,377.51	253.82	39 min
November 9	116421	5,517.12	200.13	3,320.15	18,434.08	1,385.30	2 hr 45 min
November 11	116491	2,679.52	109.93	1591.75	10,125.03	672.81	1 hr 25 min
November 18	116765	1,129.51	40.97	679.73	3,773.97	283.61	31 min
December 9	117513	1,847.07	89.24	1,064.18	8,219.37	463.78	1 hr 0 min
December 17	117822	859.62	41.94	461.36	3,863.06	215.84	22 min

Date	Incident No.	CO lbs	H <sub>2</sub> S lbs	VOC lbs	SO <sub>2</sub> lbs	NO <sub>x</sub> lbs	Duration
December 19	117970	2,017.94	75.79	1,202.25	6,980.83	N	2 hr 18 min
2009							
January 9	118684	7,906.08	296.93	4,710.30	27,350.12	N	20 hr 42 min
January 23	119273	3,602.11	147.09	2,111.84	13,548.43	904.46	1 hr 42 min
February 14	120169	3,680.53	130.56	1,904.14	12,025.81	924.15	3 hr 6 min
	120171	17,731.56	685.50	9,988.29	63,140.78	4,452.25	14 hr 4 min
February 15	120178	862.90	31.06	452.87	2,860.71	216.67	40 min
February 16	120199	712.94	25.59	373.16	2,356.91	179.01	33 min
February 17	120255	7,414.15	265.39	3,890.08	24,444.66	1,861.63	3 hr 0 min
February 19	120391	29,158.85	888.59	18,087.25	81,846.80	7321.55	22 hr 2 min
February 26	120497	N	258.21	3354.43	23,783.54	N	384 hr 0 min
March 15	121336	3,397.47	45.12	775.09	4,155.63	853.07	2 hr 0 min
March 17	121482	2,433.58	80.36	1,420.65	7,402.01	N	2 hr 6 min
March 18	121542	1,889.63	72.84	1,089.94	6,709.55	N	1 hr 38 min
March 28	121944	21,010.72	719.57	12,938.47	66,278.25	5,275.62	14 hr 9 min
	<sup>a</sup>	177.64	147.20	7.10	13,558.65	44.60	
April 1	122172	3,025.96	94.51	1,683.52	8,705.16	N	3 hr 44 min
April 10	122598	684.57	21.35	384.58	1,966.32	171.89	33 min
April 12	122625	8,704.90	276.80	5,036.24	25,495.65	2,185.53	5 hr 26 min
April 13	122703	9,103.23	289.79	5,233.87	26,692.12	N	17 hr 17 min
Total Pounds ("lbs")	FLR03	144,224.64	4,989.51	83,366.89	457,335.37	31,529.68	
	FLR01 <sup>a</sup>	630.50	1,859.54	24.12	171,279.70	80.95	
	INCIN <sup>b</sup>	N	43.04	0.28	3,964.61	N	
Total lbs emitted		144,855.14	6,892.09	83,391.29	632,579.68	31,610.63	
Total lbs authorized by permits		37,424.07	10.56	1,228.37	1,349.21	22,833.59	
Total lbs unauthorized		107,431.07	6881.53	82,162.92	631,230.47	8,777.04	
Total tons unauthorized		53.72	3.44	41.08	315.62	4.39	
<p>All emissions are from the Residue Compression Flare (FLR03) unless otherwise noted as follows:</p> <p><sup>a</sup> Acid Gas Flare (FLR01)</p> <p><sup>b</sup> Tail Gas Incinerator (INCIN)</p> <p>N No documented exceedance</p> <p>DURATION total time for incident, hours ("hr") minutes ("min")</p>							

4. During a record review on June 29, 2009, TCEQ staff documented that the Respondent:

- a. Failed to submit the initial notification for reportable emissions events (Incident Nos. 119050 and 121907) within 24 hours after discovery of the incident. Specifically, Incident No. 119050 was discovered on January 18, 2009 at 2:35 p.m. but was not

reported until January 19, 2009 at 2:54 p.m. Incident No. 121907 was discovered on January 21, 2009 but was not reported until March 27, 2009.

- b. Failed to submit the final report for a reportable emissions event (Incident No 121907) within two weeks after the end of the incident. Specifically, Incident No. 121907 ended on January 22, 2009; however, the final report was not submitted until March 27, 2009.
- c. Failed to prevent the discharge of unauthorized emissions resulting from emissions events associated with the A-Turbine. From June 1, 2008 through May 6, 2009, there were 21 emission events in which the MAERs were exceeded, resulting in total excess emissions of 59.01 tons of CO, 3.42 tons of H<sub>2</sub>S, 46.01 tons of VOC, 314.89 tons of SO<sub>2</sub>, and 1.63 tons of NO<sub>x</sub> as documented in the table below. Because these events could have been avoided by good operation and/or maintenance practices, the Respondent did not meet the affirmative defense in 30 TEX. ADMIN. CODE § 101.222.

Date	Incident No.	CO lbs	H <sub>2</sub> S lbs	VOC lbs	SO <sub>2</sub> lbs	NO <sub>x</sub> lbs	Duration
2008							
June 1	108478	11,061.90	431.48	6,612.26	39,742.66	2,777.55	5 hr 58 min
July 13	111045	1,871.53	62.44	1,106.23	5,751.52	469.92	1 hr 18 min
	<sup>b</sup>	N	26.90	0.17	2,477.89	N	
September 18	114257	5,217.36	743.23	552.76	68,457.41	1,310.04	14 hr 0 min
December 19	117957	3,749.44	140.82	2,233.85	12,970.73	941.45	2 hr 13 min
2009							
January 11	118719	19,998.10	796.32	12,220.88	73,347.87	5,021.36	10 hr 20 min
	<sup>a</sup>	7.78	31.05	2.36	2,859.79	1.96	
January 15	118957	N	154.23	2,446.56	14,205.84	N	19 hr 41 min
January 16	119028	1,158.10	56.50	621.56	5,204.41	290.79	33 min
January 18-19	119050	40,390.07	1,829.67	25,886.47	168,528.25	10,141.61	32 hr 0-min
	<sup>a</sup>	308.67	117.72	12.48	10,842.00	77.50	
January 21	119153	26,132.11	981.46	15,569.02	90,400.81	6,561.56	10 hr 57 min
	121907 <sup>a</sup>	58.35	63.51	5.21	5,849.48	14.65	12 hr 12 min
January 22	119239	N	5.89	88.05	542.56	N	1 hr 59 min
January 26	119346	972.75	38.83	578.14	3,576.15	244.25	40 min
January 29	119501	1,247.06	44.91	661.65	4,136.94	313.13	1 hr 00 min
February 16	120190	2,391.16	85.61	1,251.31	7,885.08	N	2 hr 30 min
	<sup>b</sup>	N	16.96	N	1,562.52	N	
April 5	122292	N	28.87	533.20	2,658.97	N	8 hr 35 min
April 6	122370	21,798.78	691.92	11,675.66	63,731.72	5,473.49	15 hr 38 min
April 11	122609	536.79	16.74	301.08	1,542.25	N	29 min
	122615	8,850.83	281.94	5,079.41	25,968.92	2,222.37	5 hr 32 min
April 24	123290	627.25	18.77	391.27	1,728.44	157.50	24 min
April 25	123379	4,143.97	125.30	2,682.35	11,541.13	1,040.52	3 hr 24 min
May 6	123895	2,912.61	66.10	1,874.77	6,088.04	731.33	1 hr 34 min

		CO lbs	H <sub>2</sub> S lbs	VOC lbs	SO <sub>2</sub> lbs	NO <sub>x</sub> lbs
Total lbs	FLR03	153,059.81	6,601.03	92,366.48	608,009.70	37,696.87
	FLR01 <sup>a</sup>	374.8	212.28	20.05	19,551.27	94.11
	INCIN <sup>b</sup>	N	43.86	0.17	4,040.42	N
Total lbs emitted		153,434.61	6857.27	92,386.71	631,601.39	37,790.98
Total lbs authorized by permit		35,409.58	14.33	362.93	1,830.02	34,526.85
Total lbs unauthorized by permit		118,025.03	6,842.94	92,023.78	629,771.37	3,264.13
Total tons unauthorized by permit		59.01	3.42	46.01	314.89	1.63

All emissions are from the Residue Compression Flare (FLR03) unless otherwise noted as follows:

<sup>a</sup> Acid Gas Flare (FLR01)

<sup>b</sup> Tail Gas Incinerator (INCIN)

N No documented exceedance

5. During record reviews on March 29, 2010, TCEQ staff documented that the Respondent:

- Failed to submit the initial notification for a reportable emissions event (Incident No. 128688) within 24 hours after discovery of the incident. Specifically, Incident No. 128688 was discovered on August 25, 2009 at 1:37 p.m. but was not reported until August 26, 2009 at 5:13 p.m.
- Failed to prevent the discharge of unauthorized emissions resulting from emissions events associated with the A-Turbine. From July 31, 2009 through March 8, 2010, there were 30 emission events in which the MAERs were exceeded, resulting in total excess emissions of 24.74 tons of CO, 1.35 tons of H<sub>2</sub>S, 18.73 tons of VOC, 124.37 tons of SO<sub>2</sub>, and 1.13 tons of NO<sub>x</sub> as documented in the table below. Because these events could have been avoided by good operation and/or maintenance practices, the Respondent did not meet the affirmative defense in 30 TEX. ADMIN. CODE § 101.222.

Date	Incident No.	CO lbs	H <sub>2</sub> S lbs	VOC lbs	SO <sub>2</sub> lbs	NO <sub>x</sub> lbs	Duration
2009							
July 31	127565	1,646.75	56.77	1,091.86	5,229.44	N	2 hr 9 min
August 2	127580	734.48	28.69	476.07	2,642.48	184.42	29 min
August 4	127705	3,125.81	118.94	2,048.89	10,955.12	N	5 hr 24 min
August 23	128509	538.25	21.34	346.61	1,965.36	N	29 min
August 25	128688	1,624.70	57.71	1,094.65	5,315.89	407.95	50 min
September 1	128882	560.28	18.33	363.10	1,688.81	N	29 min
September 9	129162	986.54	32.28	639.39	2,973.54	247.71	11 min

Date	Incident No.	CO lbs	H <sub>2</sub> S lbs	VOC lbs	SO <sub>2</sub> lbs	NO <sub>x</sub> lbs	Duration
September 16	129518	260.63	8.01	170.40	737.89	N	4 hr 42 min
September 26	129926	892.37	32.71	621.71	3,013.27	224.07	38 min
September 30	130135	1,943.60	39.68	827.98	3,654.41	488.02	1 hr 21 min
October 6	130414	438.26	14.65	258.36	1,349.62	N	33 min
October 7	130460	5,708.28	96.94	1,609.63	8,929.40	N	6 hr 33 min
October 10	130571	282.47	9.33	166.39	859.11	N	22 min
November 27	132536	1,764.57	61.48	1,035.81	5,662.69	443.07	1 hr 0 min
	132541	896.00	30.11	529.48	2,772.96	224.98	45 min
December 1	132639	636.18	23.07	369.04	2,124.92	159.74	29 min
December 12	133157	8,938.04	359.05	5,061.07	33,071.52	2,244.27	5 hr 15 min
December 13	133169	8,732.48	351.62	4,941.73	32,387.29	N	7 hr 35 min
December 18	133500	9,804.61	285.81	3,402.33	26,325.92	N	20 hr 3 min
	<sup>a</sup>	134.67	150.62	4.73	13,873.60	33.82	
December 27	133681	1,986.76	69.87	1,137.21	6,435.97	498.86	1 hr 40 min
December 31	133850	1,053.37	37.44	605.57	3,448.39	N	58 min
2010							
January 1	133852	4,241.71	160.04	2,290.01	14,740.67	N	6 hr 49 min
January 8	134213	4,297.31	168.68	2,347.72	15,536.90	1,079.02	2 hr 48 min
January 13	134435	642.48	26.95	358.32	2,482.33	N	33 min
January 29	135190	6,257.32	239.23	3,323.89	22,034.88	1,571.16	4 hr 4 min
January 30	135193	320.93	12.47	170.55	1,148.49	N	29 min
February 8	135617	249.53	11.36	133.21	1,046.61	N	27 min
February 13	135815	679.05	25.24	346.71	2,324.56	170.50	33 min
February 25	136335	582.19	24.32	303.92	2,239.83	N	33 min
March 8	136729	3,070.75	123.96	1,566.53	11,417.81	771.04	2 hr 5 min
	<sup>a</sup>	0.77	3.72	0.03	342.30	0.19	
Total lbs	FLR03	72,895.70	2,546.08	37,638.14	234,516.08	8,714.81	
	FLR01 <sup>a</sup>	135.44	154.34	4.76	14,215.90	34.01	
Total lbs emitted		73,031.14	2,700.42	37,642.90	248,731.98	8,748.82	
Total lbs authorized by permits		23,550.68	0.00	192.86	0.22	6,491.93	
Total lbs unauthorized by permits		49,480.46	2,700.42	37,450.04	248,731.76	2,256.89	
Total tons unauthorized by permits		24.74	1.35	18.73	124.37	1.13	

All emissions are from the Residue Compression Flare (FLR03) unless otherwise noted as follows:

<sup>a</sup> Acid Gas Flare (FLR01)

N No documented exceedance



- c. Failed to prevent the discharge of unauthorized emissions resulting from emissions events associated with the B-Turbine. From April 18, 2009 through January 31, 2010, there were 19 emission events in which the MAERs were exceeded, resulting in total excess emissions of 18.73 tons of CO, 0.85 tons of H<sub>2</sub>S, 15.83 tons of VOC, 78.31 tons of SO<sub>2</sub>, and 0.80 tons of NO<sub>x</sub> as documented in the table below. Because these events could have been avoided by good operation and/or maintenance practices, the Respondent did not meet the affirmative defense in 30 TEX. ADMIN. CODE § 101.222.

Date	Incident No.	CO lbs	H <sub>2</sub> S lbs	VOC lbs	SO <sub>2</sub> lbs	NO <sub>x</sub> lbs	Duration
2009							
April 18	122977	N	22.69	421.01	2,090.35	N	5 hr 29 min
April 21	123116	755.90	23.28	430.08	2,144.70	189.80	4 hr 17 min
April 22	123143	655.31	26.30	368.52	2,422.20	164.54	22 min
	123170	550.68	12.50	354.46	1,151.05	138.27	27 min
April 23	123285	5,912.38	258.91	3,364.63	23,848.00	1,484.55	2 hr 58 min
	123289	910.84	27.00	569.54	2,486.68	228.70	31 min
April 24	123378	741.67	22.04	463.43	2,030.40	186.23	26 min
April 25	123384	887.44	20.14	571.22	1,854.95	N	2 hr 24 min
April 27	123390	1,564.73	45.54	1,021.20	4,194.57	N	1 hr 25 min
	123463	23,046.41	677.85	15,019.61	62,435.99	5,786.76	16 hr 27 min
June 20	125827	457.65	17.96	294.02	1,654.71	N	33 min
September 3	129006	1,109.19	36.57	712.06	3,368.76	278.51	37 min
September 22	129766	801.04	26.62	509.26	2,451.48	201.14	29 min
September 26	129932	920.16	29.88	602.04	2,752.25	231.04	31 min
	129934	1,503.80	49.13	976.50	4,525.63	377.59	45 min
	129937	N	88.34	1,822.91	8,137.10	690.51	1 hr 48 min
2010							
January 1	133866	2,983.88	120.45	1,644.24	11,094.89	N	7 hr 24 min
January 23	134883	2,574.23	96.76	1,366.83	8,912.06	646.37	1 hr 21 min
January 31	135216	2,381.92	98.32	1,267.90	9,055.90	598.08	1 hr 45 min
Total lbs emitted by FLR03		50,507.25	1,700.28	31,779.46	156,611.67	11,202.09	
Total lbs authorized by permit		13,056.30	0.00	119.96	0.00	9,600.69	
Total lbs unauthorized by permit		37,450.95	1,700.28	31,659.50	156,611.67	1,601.40	
Total tons unauthorized by permit		18.73	0.85	15.83	78.31	0.80	

All emissions are from the Residue Compression Flare (FLR03)  
N No documented exceedance

6. The Respondent received notices of the violations on October 16 and 21, 2009 and April 16, 2010.
7. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant to prevent emissions events:
  - a. In August 2008, established an on-line connection between the Plant and a third-party vendor to allow real-time troubleshooting of turbine problems;
  - b. In January 2009, completed piping modifications on the B-Turbine to remove stresses affecting vibrations;
  - c. In March 2009, replaced the B-Sweet Gas Compressor and installed a new vibration monitoring system for the B-Turbine;
  - d. In April 2009, brought in three third-party vendors to verify proper operation of all control systems and to calibrate instruments; and
  - e. In April and May 2009, ordered a spare Sweet Gas Compressor Unit and a spare gear box.
8. The Executive Director recognizes that the Respondent retrained employees on proper emissions event reporting protocol on September 30, 2009.

## **II. CONCLUSIONS OF LAW**

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7 and the rules of the Commission.
2. As evidenced by Findings of Fact No. 3.a., the Respondent failed to submit the initial notification for a reportable emissions event (Incident No. 115063) within 24 hours after discovery of the incident, in violation of 30 TEX. ADMIN. CODE § 101.201(a)(1)(B) and TEX. HEALTH & SAFETY CODE § 382.085(b).
3. As evidenced by Findings of Fact No. 3.b., the Respondent failed to prevent the discharge of unauthorized emissions resulting from 28 emissions events associated with the B-Turbine, in violation of 30 TEX. ADMIN. CODE § 116.115(b)(2)(F), Permit No. 676A General Condition 8, Standard Permit No. 73563, and TEX. HEALTH & SAFETY CODE § 382.085(b).
4. As evidenced by Findings of Fact No. 4.a., the Respondent failed to submit the initial notification for reportable emissions events (Incident Nos. 119050 and 121907) within 24 hours after discovery of the incident, in violation of 30 TEX. ADMIN. CODE § 101.201(a)(1)(B) and TEX. HEALTH & SAFETY CODE § 382.085(b).

5. As evidenced by Findings of Fact No. 4.b., the Respondent failed to submit the final report for a reportable emissions event (Incident No. 121907) within two weeks after the end of the incident, in violation of 30 TEX. ADMIN. CODE § 101.201(b)(1)(B) and TEX. HEALTH & SAFETY CODE § 382.085(b).
6. As evidenced by Findings of Fact No. 4.c., the Respondent failed to prevent the discharge of unauthorized emissions resulting from 21 emissions events associated with the A-Turbine, in violation of 30 TEX. ADMIN. CODE § 116.115(b)(2)(F), Permit No. 676A General Condition 8, Standard Permit No. 73563, and TEX. HEALTH & SAFETY CODE § 382.085(b).
7. As evidenced by Findings of Fact No. 5.a., the Respondent failed to submit the initial notification for a reportable emissions event (Incident No. 128688) within 24 hours after discovery of the incident, in violation of 30 TEX. ADMIN. CODE § 101.201(a)(1)(B) and TEX. HEALTH & SAFETY CODE § 382.085(b).
8. As evidenced by Findings of Fact No. 5.b., the Respondent failed to prevent the discharge of unauthorized emissions resulting from 30 emissions events associated with the A-Turbine, in violation of 30 TEX. ADMIN. CODE § 116.115(b)(2)(F), Permit No. 676A General Condition 8, Standard Permit No. 73563, and TEX. HEALTH & SAFETY CODE § 382.085(b).
9. As evidenced by Findings of Fact No. 5.c., the Respondent failed to prevent the discharge of unauthorized emissions resulting from 19 emissions events associated with the B-Turbine, in violation of 30 TEX. ADMIN. CODE § 116.115(b)(2)(F), Standard Permit No. 73563, and TEX. HEALTH & SAFETY CODE § 382.085(b).
10. Pursuant to TEX. WATER CODE § 7.051, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
11. An administrative penalty in the amount of Seven Hundred Fifty-Five Thousand Two Hundred Fifty-One Dollars (\$755,251) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. The Respondent has paid Three Hundred Seventy-Seven Thousand Six Hundred Twenty-Six Dollars (\$377,626) of the administrative penalty. Three Hundred Seventy-Seven Thousand Six Hundred Twenty-Five Dollars (\$377,625) shall be conditionally offset by The Respondent's completion of a Supplemental Environmental Project ("SEP").

### **III. ORDERING PROVISIONS AND STIPULATED PENALTIES**

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed an administrative penalty in the amount of Seven Hundred Fifty-Five Thousand Two Hundred Fifty-One Dollars (\$755,251) as set forth in Section II, Paragraph 11

above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Corrective Action Order completely resolve the violations set forth by this Agreed Corrective Action Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: DCP Midstream, LP, Docket No. 2009-1821-AIR-E" to:

Financial Administration Division, Revenues Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in II, Conclusions of Law No. 11 above, Three Hundred Seventy-Seven Thousand Six Hundred Twenty-Five Dollars (\$377,625) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. The Respondent shall undertake the following technical requirements to reduce emissions events:
  - a. By December 31, 2010:
    - i. Complete installation of a turbine simulator; and
    - ii. Complete employee training on control systems to optimize operations, minimize process shutdowns and troubleshoot more effectively.
  - b. During the next Plant turn-around, currently scheduled for December 2011:
    - i. Complete installation of the triple redundant turbine control system and piping upgrades; and
    - ii. Complete installation of the new vibration monitoring system for the A-Turbine.
  - c. Within 30 days of completing Ordering Provisions and Stipulated Penalties Nos. 3.a. and 3.b., submit written certification as described below, and include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with Ordering Provisions and Stipulated Penalties Nos. 3.a. and 3.b. The certification shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team  
Enforcement Division, MC 149A  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

with a copy to:

Air Section, Manager  
Midland Regional Office  
Texas Commission on Environmental Quality  
3300 North A Street, Building 4, Suite 107  
Midland, Texas 79705-5404

4. From the effective date of this Order until the completion of Ordering Provisions and Stipulated Penalties Nos. 3.a. and 3.b., the Respondent shall be liable to the Commission for stipulated penalties for:
  - a. Each emissions event during which the quantity of unauthorized emissions, as defined in 30 TEX. ADMIN. CODE § 101.1, of SO<sub>2</sub> from the A-Turbine or the B-Turbine that exceed the applicable reportable quantity ("RQ"), as defined in 30 TEX. ADMIN. CODE § 101.1; and
  - b. Each violation of the reporting requirements of 30 TEX. ADMIN. CODE § 101.201 that is identified by the Executive Director for an emissions event at the A-Turbine or the B-Turbine.
5. For emissions events that result in unauthorized emissions of SO<sub>2</sub> from the A-Turbine or B-Turbine that exceed the applicable RQ, the amount of the stipulated penalty will be determined by the amount of those emissions. The amount of the stipulated penalty shall be as set forth in Exhibit A. This Paragraph does not apply to:
  - a. Emissions caused by an act of God, war, strike, riot, or other catastrophe, as provided for in TEX. WATER CODE § 7.251;
  - b. Emission events from the A-Turbine or B-Turbine caused by a third party which includes, but is not limited to, third party power failures; or

- c. Emissions events that qualify as “excessive emissions events” under 30 TEX. ADMIN. CODE § 101.222.
6. Ordering Provisions and Stipulated Penalties No. 5 applies to emission events at the A-Turbine or B-Turbine, notwithstanding any demonstration pursuant to 30 TEX. ADMIN. CODE § 101.222.
7. Emissions and reporting violations to which Ordering Provisions and Stipulated Penalties No. 5 apply shall not:
  - a. Be the subject of a notice of violation; or
  - b. Be treated as violations under 30 TEX. ADMIN. CODE ch. 60.
8. Payment of stipulated penalties does not constitute an admission of liability by the Respondent.
9. Within 30 days after the date of occurrence of an event for which stipulated penalties are due, the Respondent shall send to the TCEQ the stipulated penalties due for that event. The stipulated penalties shall be made payable to “TCEQ” and shall be sent with the notation “Re: DCP Midstream, LP, Docket No. 2009-1821-AIR-E” and shall be sent by certified mail, return receipt requested to the address listed in Ordering Provisions and Stipulated Penalties No. 1 of this section.
10. Stipulated Penalty Summary Reports. By the 60<sup>th</sup> day after the end of the first six-month period following the effective date of this Order, and by the 60<sup>th</sup> day following the end of each subsequent semiannual period during the term of this Order, the Respondent shall submit to the Executive Director semiannual Stipulated Penalty Summary Reports for the stipulated penalties established in Ordering Provisions and Stipulated Penalties No. 5 of this section. In regards to the Stipulated Penalty Summary Reports, the Respondent shall:
  - a. Provide a copy of the payment;
  - b. State the total amount of the stipulated penalties due for the prior semiannual period;
  - c. Identify, for each emissions event for which stipulated penalties are due, the following:
    - i. The source(s) of the unauthorized emissions;
    - ii. The amount of the stipulated penalty;
    - iii. A summary of the root cause(s) of the emissions event; and
    - iv. How the corrective action addressed the root cause(s) of the event in accordance with the requirements of 30 TEX. ADMIN. CODE § 101.20(b)(1)(K).
  - d. Identify, for each reporting violation:

- i. The incident number;
  - ii. The incident date;
  - iii. The specific reporting deficiency; and
  - iv. The corrective action taken to prevent future reporting deficiencies.
11. The reports required by Ordering Provisions and Stipulated Penalties No. 10 above shall be submitted to:

Order Compliance Team  
Enforcement Division, MC 149A  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

with a copy to:

Air Section, Manager  
Midland Regional Office  
Texas Commission on Environmental Quality  
3300 North A Street, Building 4, Suite 107  
Midland, Texas 79705-5404

12. The reporting requirements of this Order do not relieve the Respondent of its obligations under 30 TEX. ADMIN. CODE § 101.201 to report emissions events to the TCEQ.
13. If the Executive Director identifies a violation for which a stipulated penalty has not been paid upon review of a semiannual Stipulated Penalty Summary Report submitted under this Order, the Executive Director shall notify the Respondent of the violation and stipulated penalty due in writing within 30 calendar days of receipt of the Stipulated Penalty Summary Reports. The Respondent shall submit payment in accordance with Ordering Provisions and Stipulated Penalties No. 9 of this section no later than 30 calendar days after receipt of notification from the Executive Director under this paragraph.
14. The provisions of this Agreed Corrective Action Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Corrective Action Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Corrective Action Order.
15. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Corrective Action Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Corrective Action Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the

Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

16. The Executive Director may grant an extension of any deadline in this Agreed Corrective Action Order or in any plan, report, or other document submitted pursuant to this Agreed Corrective Action Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
17. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to the Respondent if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Corrective Action Order.
18. This Agreed Corrective Action Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Corrective Action Order, whichever is later.
19. Renegotiation and Early Termination. At any date on or after the first anniversary of the effective date of this Order, the Executive Director has the right to renegotiate the terms of this Order if the total unauthorized emissions from emissions events subject to stipulated penalties under this Order equals or exceeds 100 tons per turbine over a rolling 12-month period. The Executive Director shall provide the Respondent with written notice of intent to renegotiate the terms of this Order. If the Executive Director and the Respondent are unable to reach mutual agreement on modified terms of this Order within 90 days of the notice, then the Executive Director shall have the right to Early Termination of this Order. If the Executive Director elects to exercise the right of Early Termination, the Executive Director shall then provide the Respondent with a written 15-day notice of the termination.
20. The Executive Director has the right to renegotiate the stipulated penalty amounts set forth in Exhibit A if the Texas Legislature amends the laws of the State of Texas to increase the maximum penalty that the TCEQ may assess for violations of Chapter 382 of the Texas Health and Safety Code and that the statutory increase becomes effective within five (5) years of the effective date of this Order. Any increase to the stipulated penalty amounts set forth in Exhibit A shall be no greater than the proportional increase in the statutory maximum penalty that the TCEQ may assess for a violation of Chapter 382 of the Texas Health and Safety Code. The Executive Director shall provide the Respondent with a written notice of intent to renegotiate the stipulated penalty amounts set forth in Exhibit A of this Order.
21. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose



for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.

22. This Agreed Corrective Action Order may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreed Corrective Action Order may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes under this Agreed Order.
23. The Chief Clerk shall provide a copy of this Agreed Corrective Action Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.

# **EXHIBIT A**

## **Stipulated Penalties**

<b>Emissions Events at the A-Turbine or B-Turbine</b>	<b>Events in a 12-Month Period Per Turbine**</b>	<b>Stipulated Penalty per Emissions Event</b>
<b>&lt; 4,000 pounds of total unauthorized emissions event</b>	<b>1-10</b>	<b>\$2,500</b>
	<b>11-15</b>	<b>\$3,500</b>
	<b>16 or more</b>	<b>\$5,000</b>
<b>≥ 4,000 pounds &lt; 10,000 pounds of total unauthorized emissions event</b>	<b>1 or more</b>	<b>\$7,500</b>
<b>≥ 10,000 pounds of total unauthorized emissions event</b>	<b>1 or more</b>	<b>\$10,000</b>

<b>Other Violation</b>	<b>Stipulated Penalty per Violation</b>
<b>30 TEX. ADMIN. CODE § 101.201 reporting violation</b>	<b>\$1,000</b>

\*\*The number of event per 12-month period subject to stipulated penalties under this Order are counted during the 12-month period following the effective date of the Order and each subsequent anniversary of the effective date of the Order. For example, if the A-Turbine experiences 12 emissions events with less than 4,000 pounds of total unauthorized emissions, the first 10 emissions events will be assessed stipulated penalties of \$2,500 per event, and 11<sup>th</sup> and 12<sup>th</sup> events will be assessed a stipulated penalty of \$3,500 per event. Subsequently, the first emissions event with less than 4,000 pounds of total unauthorized emissions at the A-Turbine following the first annual anniversary of the effective date of this Order would be assessed a stipulated penalty of \$2,500.

## SIGNATURE PAGE

### TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

  
For the Executive Director

1/14/2011  
Date

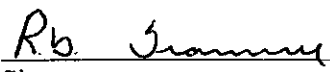
I, the undersigned, have read and understand the attached Agreed Order in the matter of DCP Midstream, LP. I am authorized to agree to the attached Agreed Order on behalf of DCP Midstream, LP, and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I understand that by entering into this Agreed Order, DCP Midstream, LP waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

  
Signature

10-29-10  
Date

Ronnie D. Trammell  
Name (Printed or typed)  
Authorized Representative of  
DCP Midstream, LP

VP operation - West  
Title

**Instructions:** Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section III, Paragraph 1 of this Agreed Order.

**Attachment A**  
**Docket Number: 2009-1821-AIR-E**

**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>DCP Midstream, LP</b>
<b>Penalty Amount:</b>	<b>Seven Hundred Fifty-Five Thousand Two Hundred Fifty-One Dollars (\$755,251)</b>
<b>SEP Offset Amount:</b>	<b>Three Hundred Seventy-Seven Thousand Six Hundred Twenty-Five Dollars (\$377,625)</b>
<b>Type of SEP:</b>	<b>Pre-approved.</b>
<b>Third-Party Recipient:</b>	<b>Texas PTA – <i>Clean School Bus Program</i></b>
<b>Location of SEP:</b>	<b>Texas Air Quality Control Region 218 – Midland-Odessa-San Angelo</b>

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP offset amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

**A. Project**

The Respondent shall contribute the SEP offset amount to the Third-Party Recipient named above. The contribution will be to *Texas PTA* for the *Clean School Bus Program* as set forth in an agreement between the Third-Party Recipient and the TCEQ. Specifically, the contribution will be used to reimburse local school districts for the cost of the following activities to reduce emissions: 1) replacing older diesel buses with alternative fuelled or clean diesel buses; or 2) retrofitting older diesel buses with new, cleaner technology. All dollars contributed will be used solely for the direct cost of the project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent certifies that it has no prior commitment to make this contribution and that it is being done solely in an effort to settle this enforcement action.

**B. Environmental Benefit**

This SEP will provide a discernible environmental benefit by reducing particulate emissions on buses by more than 90% below today’s level and reducing hydrocarbons below measurement capability.

C. Minimum Expenditure

The Respondent shall contribute at least the SEP offset amount to the Third-Party Recipient and comply with all other provisions of this SEP.

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP offset amount to the Third-Party Recipient. The Respondent shall mail a copy of the Agreed Order with the contribution to:

Texas Congress of Parents and Teachers dba Texas PTA  
Clean School Bus Program  
Suzy Swan, Director of Finance  
408 West 11<sup>th</sup> Street  
Austin, Texas 78707

**3. Records and Reporting**

Concurrent with the payment of the SEP offset amount, the Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP offset amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division  
Attention: SEP Coordinator, MC 219  
Texas Commission on Environmental Quality  
P.O. Box 13087  
Austin, Texas 78711-3087

**4. Failure to Fully Perform**

If the Respondent does not perform its obligations under this SEP in any way, including full expenditure of the SEP offset amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP offset amount.

In the event of incomplete performance, the Respondent shall include on the check the docket number of this Agreed Order and a note that it is for reimbursement of a SEP. The Respondent shall make the payment for the amount due to "Texas Commission on Environmental Quality" and mail it to:

Litigation Division  
Attention: SEP Coordinator, MC 175  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3087

**5.     Publicity**

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

**6.     Clean Texas Program**

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7.     Other SEPs by TCEQ or Other Agencies**

The SEP identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.